MINUTES

MONTANA HOUSE OF REPRESENTATIVES
60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Bob Lake, on April 13, 2007 at 8:00
     A.M., in Room 152 Capitol.

ROLL CALL

Members Present:
     Rep. Bob Lake, Chairman (R)
     Rep. Jill Cohenour, Vice Chairman (D)
     Rep. Jon Sonju, Vice Chairman (R)
     Rep. Norma Bixby (D)
     Rep. Mark Blasdel (R)
     Rep. Edward B. Butcher (R)
     Rep. Ron Erickson (D)
     Rep. Wanda Grinde (D)
     Rep. Robin Hamilton (D)
     Rep. Edward Hilbert (R)
     Rep. Mike Jopek (D)
     Rep. Carol Lambert (R)
     Rep. Gary MacLaren (R)
     Rep. Dave McAlpin (D)
     Rep. JP Pomnichowski (D)
     Rep. John (Jack) W. Ross (R)
     Rep. Chas Vincent (R)

Members Excused: Rep. Bill Nooney (R)

Members Absent: None.

Staff Present: Jeff Martin, Legislative Branch
                 Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They
provide a list of participants and a record of official action
taken by the committee. The link to the audio recording of the
meeting is available on the Legislative Branch website.

Committee Business Summary:
     Hearing & Date Posted: SB 105, 4/4/2007; SB 220, 3/31/2007
          Executive Action: SB 550; SB 439; SB 138;
                              SB 470; SB 242; SB 174

HEARING ON SB 105

Opening Statement by Sponsor:

00:01:27 Sen. Greg Lind (D), SD 50, opened the hearing on SB 105, Tax break for equipment to sequester carbon dioxide.

Proponents' Testimony:

00:04:42 Mark Lambrecht, Regulation Affairs Manager, PPL Montana

Opponents' Testimony:

00:07:55 Dave Galt, Executive Director, Montana Petroleum Association
00:09:21 Evan Barrett, Governor's Office of Economic Development
00:12:01 Bud Clinch, Executive Director, Montana Coal Council

Informational Testimony:

00:14:18 Gene Walborn, Department of Revenue

Questions from Committee Members and Responses:

00:14:38 Rep. Butcher
00:15:09 Sen. Lind
00:17:36 Rep. Butcher
00:18:16 Sen. Lind
00:19:21 Rep. Erickson
00:19:44 Mark Lambrecht
00:20:39 Rep. Erickson
00:21:34 Sen. Lind
00:22:43 Rep. Erickson
00:23:00 Rep. Jopek
00:23:56 Sen. Lind
00:25:03 Rep. Vincent
00:25:46 Dave Galt
00:27:48 Chairman Lake
00:28:25 Sen. Lind

Closing by Sponsor:

00:30:04 Sen. Greg Lind

HEARING ON SB 220

Opening Statement by Sponsor:

00:34:29 Sen. Jim Elliott (D), SD 7, opened the hearing on SB 220, Tax law administration -- transactions, compliance, withholding, class 8 exempt.

Proponents' Testimony:

00:47:29 Evan Barrett, Governor's Office of Economic Development
00:51:01 Kelly Flahraty Settle, Cattle Creek Rancher
00:54:30 Jane DeBruydeer, Farmer and Rancher
00:56:50 Don Judge, representing Teamster's Local #190
01:00:07 Rick Edwards, President, Montana Economic Developers Association
01:01:25 Sandi Curriero Lucky, East Helena resident
01:02:43 Daniel Bucks, Director, Department of Revenue
EXHIBIT(tah78a01)
EXHIBIT(tah78a02)
EXHIBIT(tah78a03)
EXHIBIT(tah78a04)

Opponents' Testimony:

01:15:28 Dan Vuckovich, CPA, Great Falls and President, Montana Society of CPA's
01:24:01 Mike Green, Attorney, representing Montana Taxpayers Association
01:27:38 Bruce Spencer, representing Montana Automobile Dealers Association
01:29:51 Aimee Grmoljez, representing Montana Bankers Association
EXHIBIT(tah78a05)
01:32:25 William C. Gowen, Vice President, Helena Abstract and Title Company and Montana Land Title Association
01:37:09 Robert Sewell, Immediate Past President, Montana Land Title Association
01:41:13 Joe Roberts, representing Montana Association of Realtors
EXHIBIT(tah78a06)

Informational Testimony: None

Questions from Committee Members and Responses:

01:43:39 Rep. Butcher
01:45:13 Dan Bucks
01:49:34 Rep. Cohenour

Questions from Committee Members and Responses: (Con't)

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01:50:17  Dan Vuckovich
01:51:01  Rep. Cohenour
01:51:22  Dan Bucks
01:54:46  Rep. Cohenour
01:55:12  Dan Bucks
01:59:10  Rep. McAlpin
01:59:38  Sen. Elliott
02:00:40  Rep. Erickson
02:01:32  Dan Bucks
02:04:12  Rep. Hilbert
02:05:16  Dan Bucks
02:06:43  Rep. Lambert
02:07:28  Dan Vuckovich
02:09:00  Rep. Sonju
02:09:50  Bruce Spencer
02:10:59  Dan Vuckovich
02:11:32  Rep. Sonju
02:11:38  Bruce Spencer
02:11:55  Rep. Cohenour
02:12:28  Dan Bucks
02:16:28  Chairman Lake
02:16:54  Dan Bucks
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Closing by Sponsor:

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02:17:13  Sen. Jim Elliott


02:29:15  Break
02:47:16  Reconvene
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EXECUTIVE ACTION ON SB 550

02:47:38 **Motion**: Rep. Sonju moved that **SB 550 BE CONCURRED IN.**

02:48:15 **Motion**: Rep. Erickson moved that **SB 550 BE AMENDED.**
EXHIBIT(tah78a07)

Discussion:

02:48:27 Rep. Erickson

02:49:01 **Vote**: **MOTION CARRIED** unanimously by voice vote with
          Rep. Nooney voting by proxy.

02:49:22 **Motion**: Rep. Sonju moved that **SB 550 BE CONCURRED IN AS AMENDED.**

Discussion:

02:49:49 Jeff Martin
02:50:50 Rep. Butcher
02:51:09 Rep. Cohenour
02:51:20 Jeff Martin
02:52:28 Rep. McAlpin
02:53:10 Jeff Martin
02:53:27 Rep. Erickson

02:53:36 **Motion**: Rep. Butcher moved that **SB 550 BE AMENDED.**
EXHIBIT(tah78a08)

Discussion:

02:53:59 Rep. MacLaren
02:54:15 Jeff Martin

02:55:20 **Vote**: **MOTION CARRIED** 17-1 by voice vote with Rep. Grinde voting no and Rep. Nooney voting by proxy.

02:55:39 **Motion**: Rep. Sonju moved that **SB 550 BE CONCURRED IN AS AMENDED.**

Discussion:

02:55:54 Rep. Cohenour
02:56:56 Rep. Erickson
02:57:52 Rep. Butcher

02:59:28 **Vote**: **MOTION CARRIED** unanimously by voice vote with Rep. Nooney voting by proxy. Rep. Butcher will carry SB 550.

EXECUTIVE ACTION ON SB 138

03:00:15 **Motion**: Rep. Sonju moved that **SB 138 BE CONCURRED IN.**

Discussion:

03:00:30 Rep. Cohenour
03:03:03 Rep. Sonju
03:04:04 Rep. Erickson
03:07:36 Rep. Ross
03:08:05 Rep. Cohenour
03:09:18 Chairman Lake

03:09:25 **Vote**: **MOTION FAILED** 8-10 by roll call vote with Reps.
Bixby, Cohenour, Erickson, Grinde, Hamilton, Jopek,
McAlpin, and Pomnichowski voting aye and Rep. Nooney
voting by proxy.

03:10:10 **Motion/Vote**: Rep. Cohenour moved that **SB 138 BE TABLED
AND THE VOTE REVERSED. MOTION CARRIED** unanimously by
voice vote with Rep. Nooney voting by proxy.

EXECUTIVE ACTION ON SB 470

03:10:48 **Motion**: Rep. Sonju moved that **SB 470 BE CONCURRED IN.**

Discussion:

03:11:17 Rep. Cohenour
03:12:40 Rep. Butcher
03:14:10 Rep. Jopek
03:14:55 Rep. Erickson
03:15:56 Rep. Cohenour
03:17:27 Chairman Lake

03:17:45 **Vote**: **MOTION FAILED** 8-10 by roll call vote with Reps.
Bixby, Cohenour, Erickson, Grinde, Hamilton, Jopek,
McAlpin, and Pomnichowski voting aye and Rep. Nooney
voting by proxy.

03:18:26 **Motion/Vote**: Rep. Cohenour moved that **SB 470 BE TABLED
AND THE VOTE REVERSED. MOTION CARRIED** unanimously by
voice vote with Rep. Nooney voting by proxy.

EXECUTIVE ACTION ON SB 439

03:19:02 **Motion**: Rep. Jopek moved that **SB 439 BE CONCURRED IN.**

03:19:24 **Motion**: Rep. Sonju moved that **SB 439 BE AMENDED.**
EXHIBIT(tah78a09)

Discussion:

03:19:37 Jeff Martin
03:20:46 Rep. McAlpin

03:21:27 **Vote**: **MOTION CARRIED** unanimously by voice vote with
Rep. Nooney voting by proxy.

03:21:39 **Motion**: Rep. Sonju moved that **SB 439 BE CONCURRED IN
AS AMENDED.**

<u>Discussion</u>:

03:21:52 Rep. Erickson
03:23:27 Chairman Lake
03:23:57 Rep. Jopek
03:24:32 Rep. Cohenour
03:25:00 Chairman Lake

03:25:32 **<u>Vote</u>**: **MOTION CARRIED** 14-4 by roll call vote with Reps.
Blasdel, Hilbert, Sonju, and Vincent voting no and Rep.
Nooney voting by proxy. Rep. Erickson will carry
SB 439.

<u>EXECUTIVE ACTION ON SB 242</u>

03:27:15 **<u>Motion</u>**: Rep. Sonju moved that **SB 242 BE CONCURRED IN.**

03:28:47 **<u>Motion</u>**: Rep. McAlpin moved that **SB 242 BE AMENDED.**
<u>EXHIBIT</u>(tah78a10)

<u>Discussion</u>:

03:29:27 Rep. Erickson
03:29:56 Rep. Cohenour
03:31:06 Rep. Erickson

03:31:17 **<u>Vote</u>**: **MOTION CARRIED** unanimously by voice vote with
Rep. Nooney voting by proxy.

03:31:34 **<u>Motion:</u>** Rep. Sonju moved that **SB 242 BE CONCURRED IN
AS AMENDED.**

<u>Discussion</u>:

03:31:45 Rep. Erickson
03:33:59 Rep. McAlpin

03:34:17 **<u>Vote</u>**: **MOTION FAILED** 8-10 by roll call vote with Reps.
Bixby, Cohenour, Erickson, Grinde, Hamilton, Jopek,
McAlpin, and Pomnichowski voting aye and Rep. Nooney
voting by proxy.

03:35:04 **<u>Motion/Vote</u>**: Rep. Sonju moved that **SB 242 BE TABLED
AND THE VOTE REVERSED. MOTION CARRIED** unanimously by
voice vote with Rep. Nooney voting by proxy.

EXECUTIVE ACTION ON SB 174

03:35:45 **Motion**: Rep. Sonju moved that **SB 174 BE CONCURRED IN.**

03:36:36 **Motion**: Rep. Sonju moved that **SB 174 BE AMENDED.**
EXHIBIT(tah78a11)

Discussion:

03:36:48 Jeff Martin
03:38:40 Rep. Cohenour

03:38:50 Rep. Grinde left the hearing

03:38:52 **Vote**: **MOTION CARRIED** unanimously by voice vote with
Reps. Nooney and Grinde voting by proxy.

03:39:21 **Motion**: Rep. Sonju moved that **SB 174 BE CONCURRED IN
AS AMENDED.**

03:39:35 **Motion**: Rep. Sonju moved that **SB 174 BE AMENDED.**
EXHIBIT(tah78a12)

Discussion:

03:39:51 Jeff Martin

03:43:22 **Vote**: **MOTION CARRIED** unanimously by voice vote with
Reps. Nooney and Grinde voting by proxy.

03:43:40 **Motion**: Rep. Sonju moved that **SB 174 BE CONCURRED IN
AS AMENDED.**

Discussion:

03:43:48 Rep. Hamilton
03:44:18 Rep. Ross
03:44:54 Chairman Lake
03:47:12 Rep. Cohenour
03:49:21 Chairman Lake
03:49:45 Rep. Jopek
03:50:42 Rep. Cohenour

03:51:06 **Vote**: **MOTION FAILED** 8-10 by roll call vote with Reps.
Bixby, Cohenour, Erickson, Grinde, Hamilton, Jopek,
McAlpin, and Pomnichowski voting aye and Reps. Nooney
and Grinde voting by proxy.

03:51:50 **Motion/Vote**: Rep. Cohenour moved that **SB 174 BE TABLED AND THE VOTE REVERSED. MOTION CARRIED** unanimously by voice vote with Reps. Nooney and Grinde voting by proxy.

EXECUTIVE ACTION ON SB 541

03:52:33 **Motion/Vote**: Rep. Cohenour moved to **RECONSIDER PREVIOUS ACTION ON SB 541. MOTION FAILED** 6-10 by roll call vote of those present and voting with Reps. Bixby, Cohenour, Erickson, Hamilton, Jopek, and Pomnichowski voting aye.

Discussion:

03:54:20 Rep. Bixby
03:56:19 Chairman Lake
03:59:07 Rep. Jopek
04:00:32 Chairman Lake
04:00:41 Rep. Bixby
04:00:46 Rep. Cohenour
04:02:41 Rep. Bixby

ADJOURNMENT

Adjournment: 12:05 P.M.
04:02:54

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REP. BOB LAKE, Chairman

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DEBRA POLHEMUS, Secretary

BL/dp

Additional Exhibits:

EXHIBIT([tah78aad.pdf](tah78aad.pdf))